

AMENDED IN ASSEMBLY MAY 18, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2148**

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**Introduced by Assembly Member Tran**  
**(Principal coauthor: Assembly Member Portantino)**

February 18, 2010

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An act to ~~add Section 17206.2~~ *amend, repeal, and add Section 17072 of, and to add and repeal Section 17206.2 of,* to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 2148, as amended, Tran. Personal income tax: charitable contribution deduction: physician.

The Personal Income Tax Law, in modified conformity with federal income tax laws, allows various deductions in computing the income that is subject to the taxes imposed by that law, including a deduction for a charitable contribution made by a taxpayer during the taxable year.

This bill would, *for taxable years beginning on or after January 1, 2011, and before January 1, 2016,* allow a deduction for the value of medical services ~~contributed~~ *performed by a physician* free of charge ~~by a physician~~ to a local community clinic *or in the emergency department of a general acute care hospital,* not to exceed specified amounts. *The bill would permit that deduction to be allowed in computing adjusted gross income.*

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     *SECTION 1. Section 17072 of the Revenue and Taxation Code*  
2     *is amended to read:*

3     17072. (a) Section 62 of the Internal Revenue Code, relating  
4     to adjusted gross income defined, shall apply, except as otherwise  
5     provided.

6     (b) Section 62(a)(2)(D) of the Internal Revenue Code, relating  
7     to certain expenses of elementary and secondary school teachers,  
8     shall not apply.

9     (c) *The deduction allowed by Section 17206.2, relating to the*  
10    *value of physician services provided free of charge in specific*  
11    *settings, shall be allowed in computing adjusted gross income.*

12    (d) *This section shall remain in effect only until December 1,*  
13    *2016, and as of that date is repealed.*

14    *SEC. 2. Section 17072 is added to the Revenue and Taxation*  
15    *Code, to read:*

16    17072. (a) Section 62 of the Internal Revenue Code, relating  
17    to adjusted gross income defined, shall apply, except as otherwise  
18    provided.

19    (b) Section 62(a)(2)(D) of the Internal Revenue Code, relating  
20    to certain expenses of elementary and secondary school teachers,  
21    shall not apply.

22    (c) *This section shall become operative on January, 1, 2016,*  
23    *and apply to taxable years beginning or after that date.*

24    **SECTION 1.**

25    *SEC. 3. Section 17206.2 is added to the Revenue and Taxation*  
26    *Code, to read:*

27    17206.2. (a) ~~There~~ *For taxable years beginning on or after*  
28    *January 1, 2011, and before January 1, 2016, there shall be*  
29    *allowed as a deduction the value of medical services contributed*  
30    *free of charge by a physician to a local community clinic during*  
31    ~~the taxable year.~~ *of qualified medical services provided by a*  
32    *qualified taxpayer during the taxable year.*

33    (b) For purposes of this section, all of the following apply:

34    (1) *“Emergency medical services” has the same meaning as*  
35    *“emergency services and care” as defined in Section 1317.1 of*  
36    *the Health and Safety Code.*

37    (+)

(2) “Local community clinic” means a community clinic or free clinic as defined in *subparagraphs (A) and (B) of paragraph (1) of subdivision (a) of Section 1204 of the Health and Safety Code.*

~~(2) “Physician” means a person authorized to practice medicine or osteopathy under the laws of any state.~~

(3) “*Qualified medical services*” means *medical services provided by a qualified taxpayer free of charge at a local community clinic or emergency medical services provided by a qualified taxpayer free of charge in an emergency department of a general acute care hospital licensed pursuant to Section 1250 of the Health and Safety Code.*

(4) “*Qualified taxpayer*” means *a physician or surgeon licensed by the Medical Board of California or the Osteopathic Medical Board of California.*

~~(3)~~

(c) The deduction allowed to any taxpayer by this section shall ~~not exceed either of the following:~~

~~(A) The value of any contribution that exceeds a rate of fifty dollars (\$50) per hour for any medical services rendered.~~

~~(B) One not exceed one thousand five hundred dollars (\$1,500) per taxable year.~~

(d) *The value of medical services provided shall be determined according to the usual, reasonable, and customary rate as described in Section 1300.71(a)(3)(B) of Title 28 of the California Code of Regulations.*

~~(e)~~

(e) No other deduction shall be allowed by this part for any contribution for which a deduction is claimed under this section.

(f) *The local community clinic or general acute care hospital, as described in this section, shall provide documentation to the practicing physician regarding the value of services provided, as prescribed by this section.*

(g) *This section shall remain in effect only until December 1, 2016, and as of that date is repealed.*

~~SEC. 2.~~

SEC. 4. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect.